

Site: ORNOG D
ID# N20980686287
Break: 11.11
Other:
2-1-1939 0736
LV

40121208



SUPERFUND RECORDS

ANNUAL REPORT

KANSAS EXPLORATIONS, INC.

1938

AK

Ad

Joplin, Missouri.
February 1, 1939.

Mr. Andrew Fletcher, Vice President
Kansas Explorations, Inc.,
250 Park Avenue,
New York City, N. Y.

Dear Sir:

I transmit herewith Annual Report
of the Kansas Explorations, Inc., for the
year 1938.

Respectfully submitted,

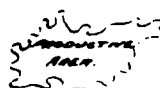
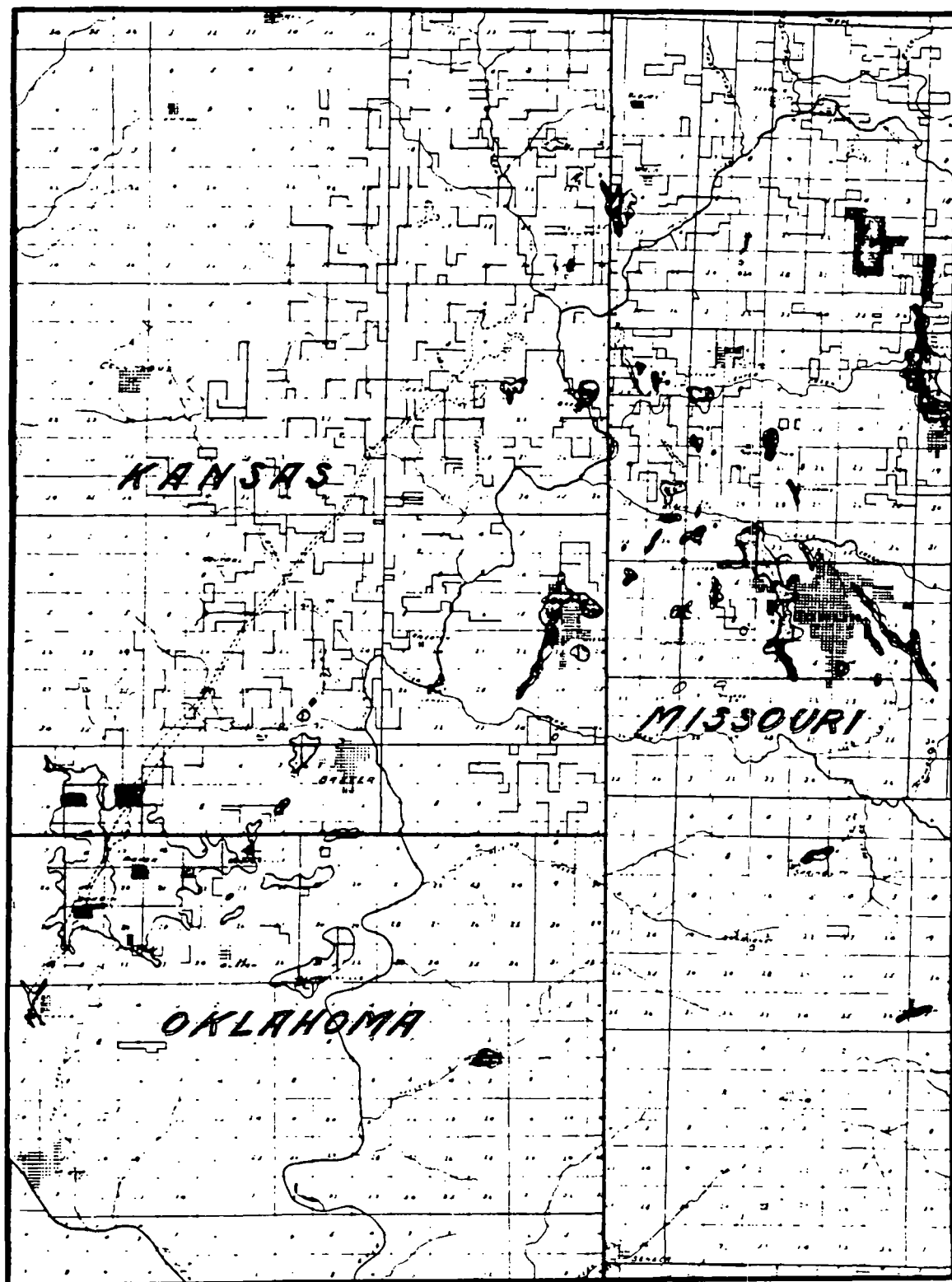
Ross Blate

ANNUAL REPORT
OF
KANSAS EXPLORATIONS INCORPORATED
JOPLIN, MISSOURI
1938

C O N T E N T S

1938 ANNUAL REPORT

	Pages
SUMMARY	
Map of Leases	1
1938	2
List of Leases as at 12/31/38	3
JARRETT UNIT	
Map of Ore Reserves	4
Flow Sheet of Concentration Plant	5
1938	6
ROBINSON UNIT	
1938	7-8
RITZ UNIT	
Picture of Concentration Plant	9
Map of Ore Reserves	10
Flow Sheet of Concentration Plant	11
1938	12-15
1939 (Recommendations)	16
SNAPP UNIT	
Map of Ore Reserves	17-18
1938	19
DARDENNE UNIT	
1938	20
EMPLOYER'S LIABILITY	
1938	21
Accident Data Table	22
LEGAL	
Law Suits	23
GENERAL	
Expenditures Classified	24
Accounts Receivable	25
Current Liabilities	25
Miscellaneous Income	25



STATE
BARRAGE

LEASE
CROSS

CONCEIVED
LEASES
CROSS

UNLTD. TRACTS OF
CONCEIVED LEASES
UNLTD. TRACTS
NOT SHOWN

TRI-STATE DISTRICT

SHOWING KANSAS EXPLORATIONS INC. LEASES

JANUARY 1, 193

ANNUAL REPORT
OF
KANSAS EXPLORATIONS INCORPORATED
1938

The only operations of the Kansas Explorations, Inc., during the year was at the Ritz unit. These operations were from January 1, 1938 until June 1, 1938, at which time, this unit was shut down on account of the low base price being paid for concentrates; zinc concentrates being \$26.00 and \$27.00 per ton, and lead concentrates being \$42.14 per ton. The Ritz unit remained down for the balance of the year. The Jarrett unit was shut down during the entire year, watchmen being used during the shut down period at each unit.

LIST OF LEASES AS AT DECEMBER 31, 1938.

--- OPERATING UNITS ---

Number	Name	Acres	State	Land-owner Royalty
--------	------	-------	-------	-----------------------

JARRETT UNIT

973	Jarrett	240	Kansas	10%
-----	---------	-----	--------	-----

RITZ UNIT

921	Ritz	60	Oklahoma	12½%
-----	------	----	----------	------

DARDENNE UNIT

974½	Dardenne	40	Oklahoma	5% - 10%*
------	----------	----	----------	-----------

*5% on Tailings and 10% on Underground ores.

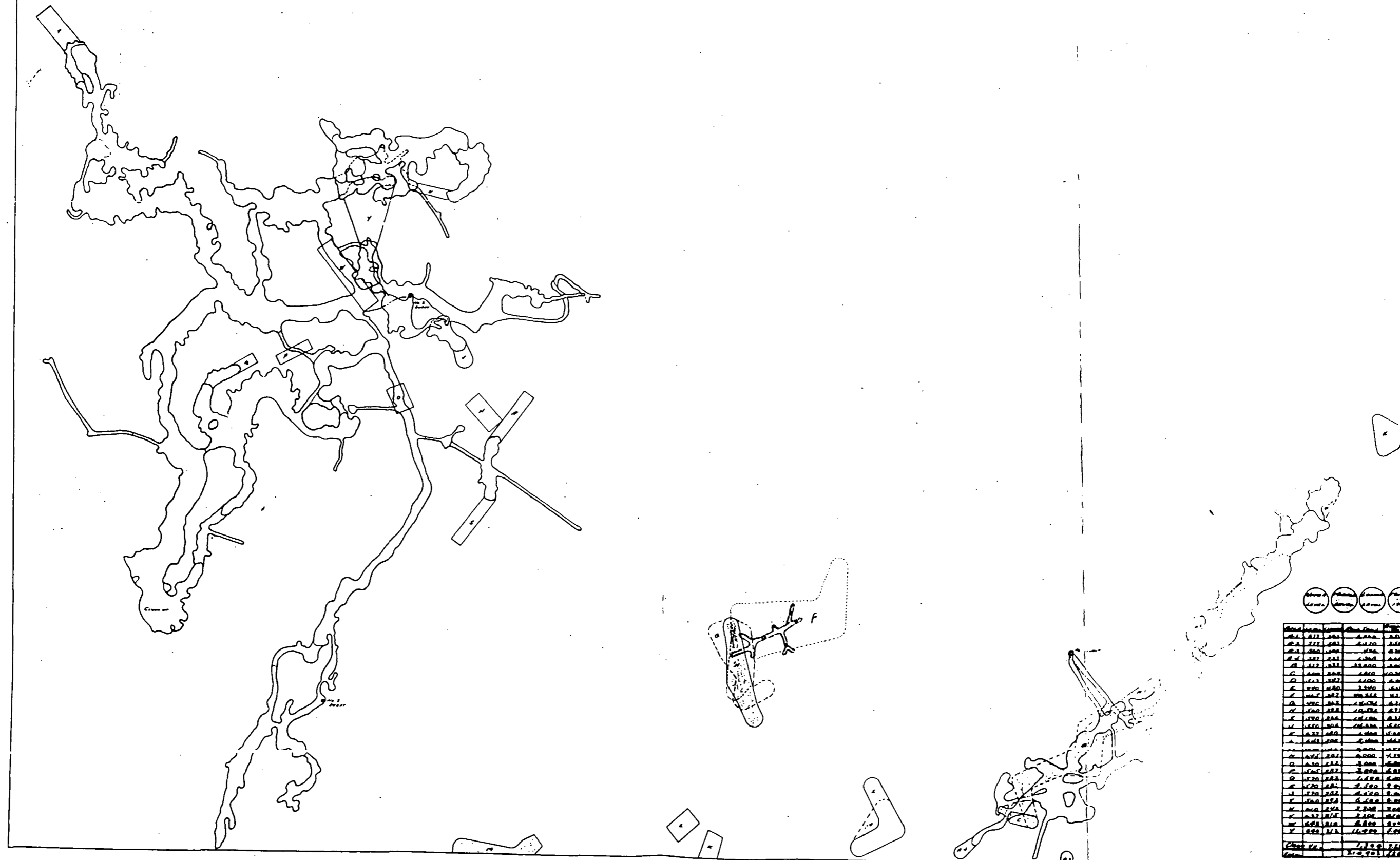
--- PROPOSED UNITS ---

SNAPP UNIT

	Snapp	40	Missouri	
974	Gunning	280	Missouri	7½%
975	Gunning	160	Missouri	7½%
976	Buckingham	107	Missouri	7½%
977	Buckingham (A.J.)	140	Missouri	7½%
978	Poundstone	80	Missouri	7½%
979	Cushman	80	Missouri	7½%
980	McReynolds	80	Missouri	7½%
964	Ragland	40	Missouri	7½%
	Total Acreage	1007 Acres		

No work was done in this area during 1938.

JARRETT UNIT

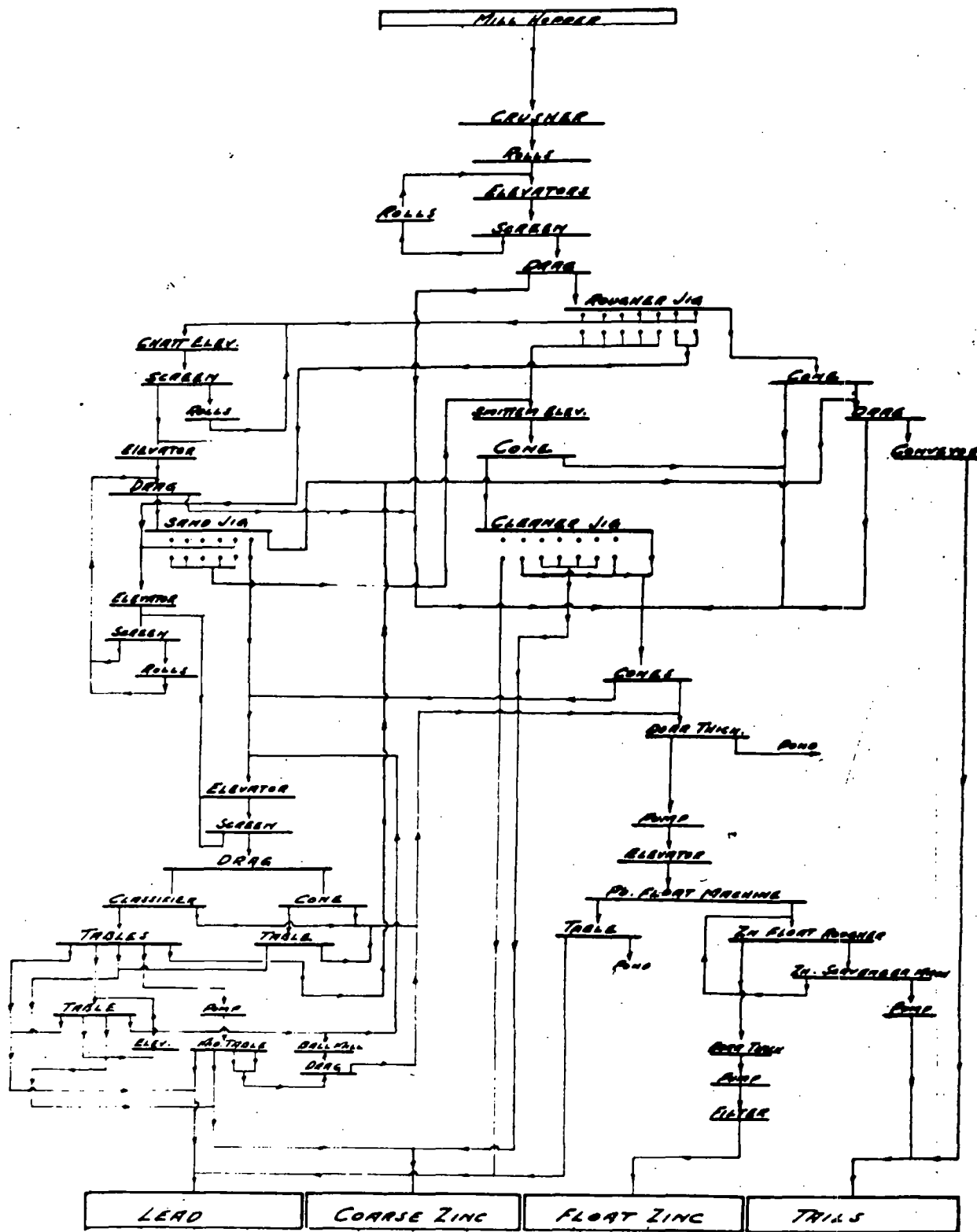


Block	Area	Volume	Weight	Value	Notes
A-1	117	100	1.170	1.17	
A-2	117	100	1.170	1.17	
A-3	117	100	1.170	1.17	
A-4	117	100	1.170	1.17	
A-5	117	100	1.170	1.17	
A-6	117	100	1.170	1.17	
A-7	117	100	1.170	1.17	
A-8	117	100	1.170	1.17	
A-9	117	100	1.170	1.17	
A-10	117	100	1.170	1.17	
A-11	117	100	1.170	1.17	
A-12	117	100	1.170	1.17	
A-13	117	100	1.170	1.17	
A-14	117	100	1.170	1.17	
A-15	117	100	1.170	1.17	
A-16	117	100	1.170	1.17	
A-17	117	100	1.170	1.17	
A-18	117	100	1.170	1.17	
A-19	117	100	1.170	1.17	
A-20	117	100	1.170	1.17	
A-21	117	100	1.170	1.17	
A-22	117	100	1.170	1.17	
A-23	117	100	1.170	1.17	
A-24	117	100	1.170	1.17	
A-25	117	100	1.170	1.17	
A-26	117	100	1.170	1.17	
A-27	117	100	1.170	1.17	
A-28	117	100	1.170	1.17	
A-29	117	100	1.170	1.17	
A-30	117	100	1.170	1.17	
A-31	117	100	1.170	1.17	
A-32	117	100	1.170	1.17	
A-33	117	100	1.170	1.17	
A-34	117	100	1.170	1.17	
A-35	117	100	1.170	1.17	
A-36	117	100	1.170	1.17	
A-37	117	100	1.170	1.17	
A-38	117	100	1.170	1.17	
A-39	117	100	1.170	1.17	
A-40	117	100	1.170	1.17	
A-41	117	100	1.170	1.17	
A-42	117	100	1.170	1.17	
A-43	117	100	1.170	1.17	
A-44	117	100	1.170	1.17	
A-45	117	100	1.170	1.17	
A-46	117	100	1.170	1.17	
A-47	117	100	1.170	1.17	
A-48	117	100	1.170	1.17	
A-49	117	100	1.170	1.17	
A-50	117	100	1.170	1.17	
A-51	117	100	1.170	1.17	
A-52	117	100	1.170	1.17	
A-53	117	100	1.170	1.17	
A-54	117	100	1.170	1.17	
A-55	117	100	1.170	1.17	
A-56	117	100	1.170	1.17	
A-57	117	100	1.170	1.17	
A-58	117	100	1.170	1.17	
A-59	117	100	1.170	1.17	
A-60	117	100	1.170	1.17	
A-61	117	100	1.170	1.17	
A-62	117	100	1.170	1.17	
A-63	117	100	1.170	1.17	
A-64	117	100	1.170	1.17	
A-65	117	100	1.170	1.17	
A-66	117	100	1.170	1.17	
A-67	117	100	1.170	1.17	
A-68	117	100	1.170	1.17	
A-69	117	100	1.170	1.17	
A-70	117	100	1.170	1.17	
A-71	117	100	1.170	1.17	
A-72	117	100	1.170	1.17	
A-73	117	100	1.170	1.17	
A-74	117	100	1.170	1.17	
A-75	117	100	1.170	1.17	
A-76	117	100	1.170	1.17	
A-77	117	100	1.170	1.17	
A-78	117	100	1.170	1.17	
A-79	117	100	1.170	1.17	
A-80	117	100	1.170	1.17	
A-81	117	100	1.170	1.17	
A-82	117	100	1.170	1.17	
A-83	117	100	1.170	1.17	
A-84	117	100	1.170	1.17	
A-85	117	100	1.170	1.17	
A-86	117	100	1.170	1.17	
A-87	117	100	1.170	1.17	
A-88	117	100	1.170	1.17	
A-89	117	100	1.170	1.17	
A-90	117	100	1.170	1.17	
A-91	117	100	1.170	1.17	
A-92	117	100	1.170	1.17	
A-93	117	100	1.170	1.17	
A-94	117	100	1.170	1.17	
A-95	117	100	1.170	1.17	
A-96	117	100	1.170	1.17	
A-97	117	100	1.170	1.17	
A-98	117	100	1.170	1.17	
A-99	117	100	1.170	1.17	
A-100	117	100	1.170	1.17	

PROVED ORE RESERVE
JARRITT LEASE 1996
Scale 1"=100'

JARRETT MILL

FLOW SHEET



JARRETT UNIT

1938

The Jarrett unit was shut down during the entire year. There were no operations and no pumping.

During the year, repairs were made to the mill, tramway and tailing conveyor, which were damaged by windstorm. The damage was fully covered by insurance.

-----oOo-----

Rehabilitation expense carried over from 1937 -		\$ 646.70
Shut Down expense for 1938 was -		\$6,756.29
Expense for repairing windstorm damage to mill, tramway and tailing conveyor, was -	\$1054.32	
Expense for repairing fire damage to shaft cribbing and change room -	\$ 117.85	
Total	<u>\$1172.17</u>	
Claim paid by insurance company -	\$3450.62	
Claim paid by Eagle-Picher Mining & Smelting Co. -	\$ 482.35	
Total	<u>\$3932.97</u>	
Credit from fire and windstorm damage -		\$2,760.80
Income:		
Sale of Scrap -	\$ 7.00	
Discount Earned -	\$ 33.87	
Total -	<u>\$ 40.87</u>	

ROBINSON UNIT

ROBINSON LEASE

1 9 3 8

The Robinson lease was operated by the American Zinc, Lead & Smelting Co., from January 1st until December 15, 1938, at which time, the lease, plant, buildings and all mine and mill equipment were purchased by the Kansas Explorations, Inc., but was not operated during the balance of the year, pending the arrangement of a sub-lease on the mine to David A. Johnson. Repairs to the plant and equipment were made to cover a possible plant operation over a three month period. The period required for making these necessary repairs extended over into 1939.

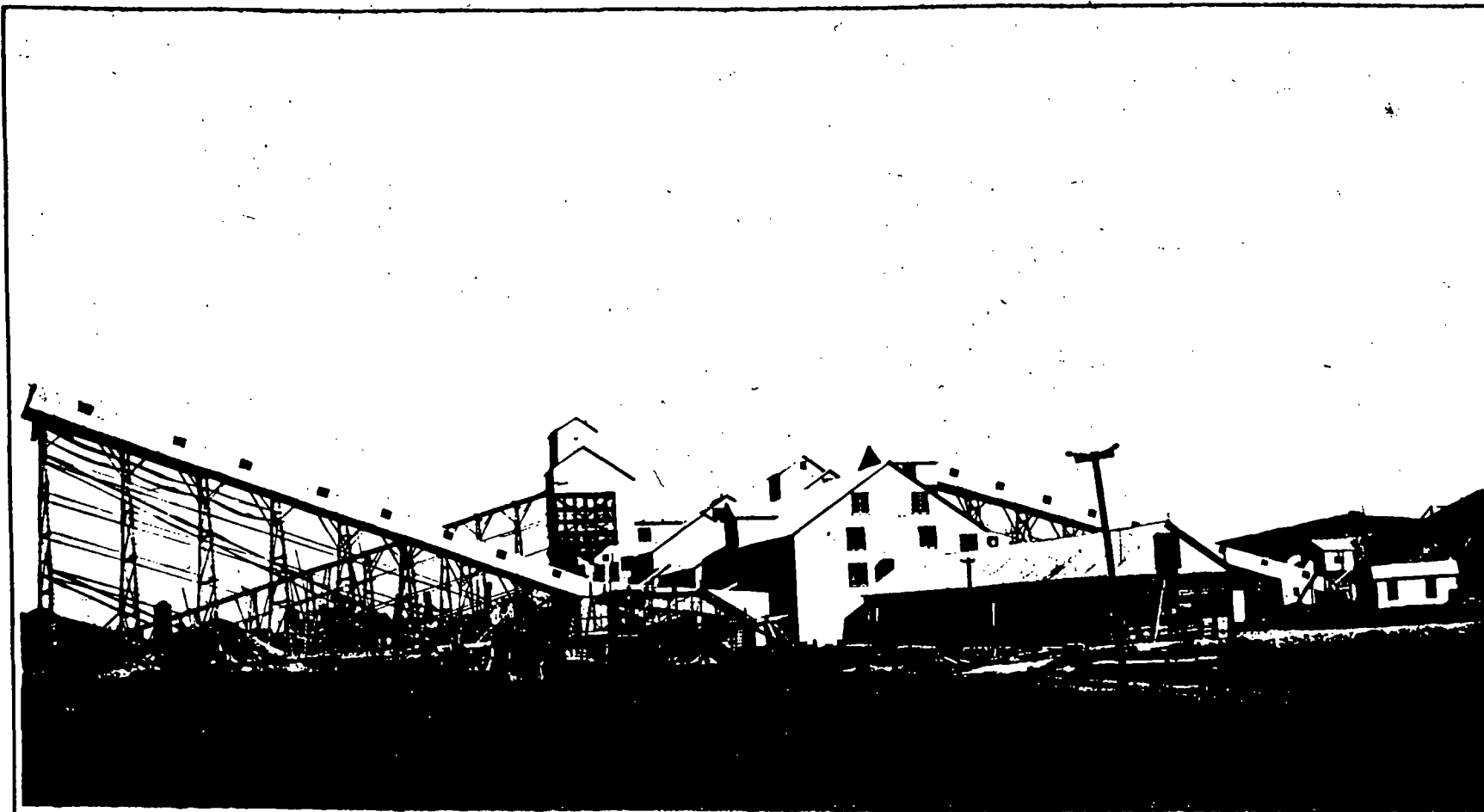
Following is the result of the operations of the property by the American Zinc, Lead & Smelting Co:

Tons Mined -			75,629
Tons Milled -			74,882
Tons Concentrates Produced -	Zinc	6150.99	
	Lead	185.18	
	Total		6,336.17
Grade of Ore Milled -	Zinc	8.21	
	Lead	.24	
	Total		8.46
Cost Per Rock Ton Mined -			1.90
Cost Per Ton Concentrates Produced -			22.68
Sales Value Per Ton			
of Concentrates -	Zinc	30.34	
	Lead	53.02	
	Total		31.00
Tons Concentrates Sold			
during 1938 -	Zinc	6150.99	
	Lead	185.18	
	Total		6,336.17
Tons Concentrates in Bin at Dec. 31, 1938 -			0
Gross Sales -			196,447.45
Royalty -			21,530.15
Net Value -			174,917.30
Cost of Sales -			143,693.59
Net Mine Earnings -			31,223.71
Share to Kansas Explorations, Inc.			15,939.48
Share to American Zinc, Lead & Smelting Co.			15,284.23

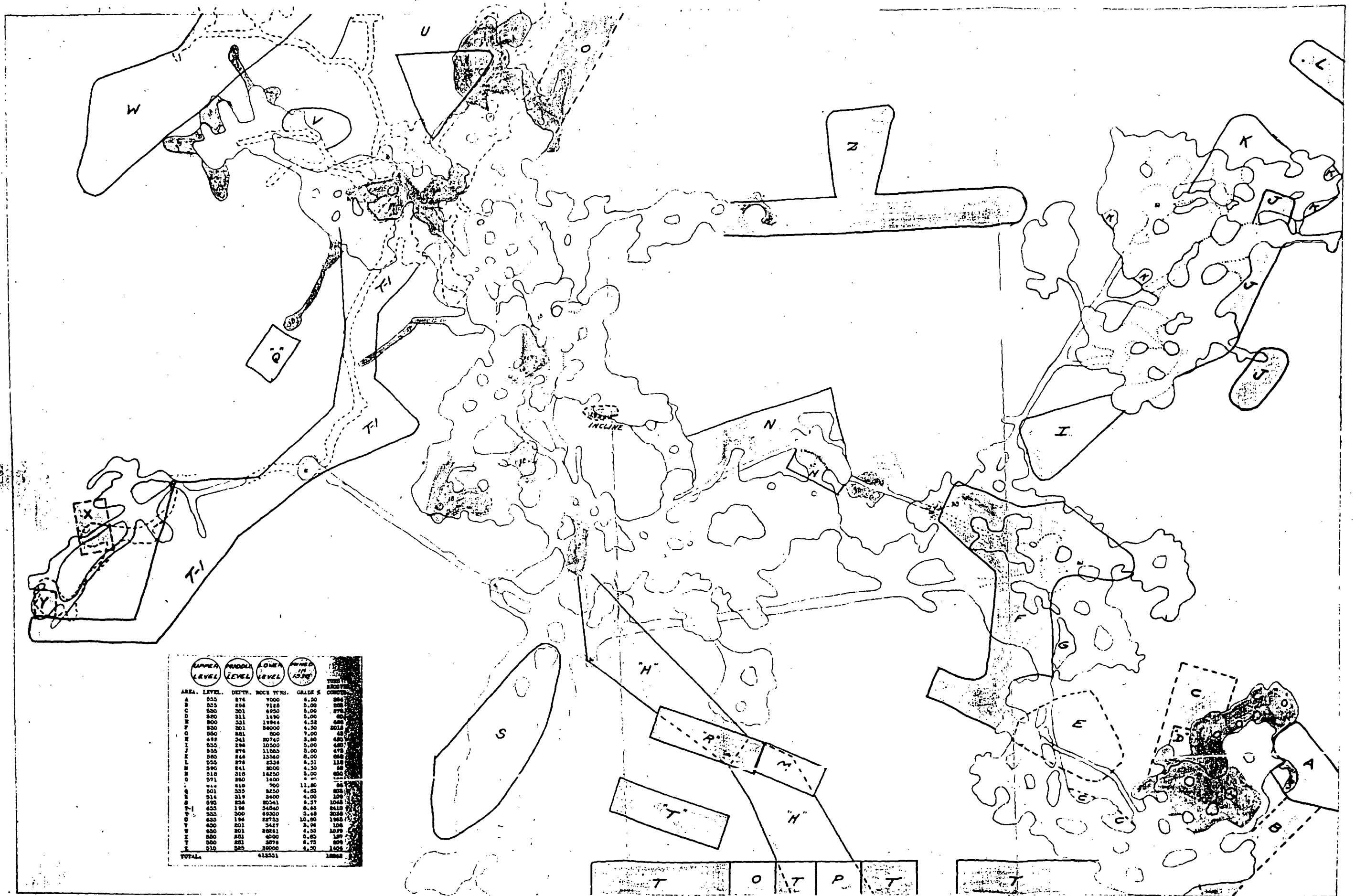
The expenditures of the Kansas Explorations, Inc., at this lease, from January 1st to December 15, 1938, were \$1,033.04; from December 15th to December 31, 1938, were \$202.56.

Other Income for the year was \$1,800.00 from the American Zinc, Lead & Smelting Co., as per their contract with the Kansas Explorations, Inc.

RITZ UNIT



RITZ CONCENTRATION PLANT.



RITZ UNIT

1938

The Ritz unit operated continuously from January 1st to May 27, 1938, at which time, it was thought advisable to shut down on account of the low base price being paid for concentrates, which was \$26.00 to \$27.00 for zinc and \$42.14 for lead.

During the operating period, the 30 ton per hour capacity concentration plant and the mine operated two eight-hour shifts per day. All ore treated was mined underground, and was hoisted at the mill shaft, being delivered to the shaft by a three and one-half ton storage battery locomotive and a rope haulage system.

The outstanding development during 1938, was the development by surface churn drilling, of a rich ore body along the South property line of the Eastern half of the lease. No attempt has been made, as yet, to determine the extend of the ore body, but, it is very evident that this development will undoubtedly produce a larger concentrate tonnage than has been allowed it in estimating the ore reserves as at December 31, 1938.

During the shut down period from May 27, 1938 to December 31, 1938, watchmen and one helper were used in making general plant repairs.

-----oOo-----

At the Ritz unit during 1938, a total rock tonnage

of 43,639 tons was hoisted, and a total of 42,528 tons of mine rock was treated in the concentration plant. From the tonnage treated, 2,513.565 tons of zinc concentrates (60% Zn.), and 236.720 tons of lead concentrates (80% Pb.) were recovered. The entire tonnage of rock treated during 1938 yielded a recovery of 5.91% in the form of zinc concentrates (60% Zn.), and .56% in the form of lead concentrates (80% Pb.), or a total recovery of 6.47%. During the operating period, 9,031 man shifts were employed in operations, each man shift averaging a production of 4.8 rock tons or the equivalent of .30 tons of zinc and lead concentrates. The total average operating cost was \$2.06 for each ton of rock, or \$32.42 for each ton of zinc and lead concentrates recovered.

On December 31, 1938, the Ritz unit had no concentrates in bins. During the year 1938, 2,513.565 tons of zinc concentrates and 236.720 tons of lead concentrates were sold and loaded. An average gross price per ton (2,000 pounds) of \$28.61 for zinc concentrates and \$37.58 for lead concentrates was obtained, or an average of \$29.38 per ton. The average royalty paid on zinc and lead concentrates sold and loaded at this property during 1938, was \$3.67 per ton. On December 31, 1938, at this unit, the Company had no zinc concentrates or lead concentrates in the bins.

During the year, \$9,799.54 was spent in churn

drilling and operating development, and, \$2,507.63 in churn drilling after shut down May 27, 1938, tending toward the accumulation or the development of ore reserves. This expenditure is approximately 22¢ per ton of rock mined and \$3.56 per ton of concentrates produced during time the plant was operating, and, 28¢ per ton of rock mined and \$4.47 per ton of concentrates produced for total development expenditure in 1938. We have kept one and two surface churn drills at work continuously during the time the mine has been operating, and one drill operating during shut down period, and have drilled 8,344 feet. During 1938, 695 feet of development drifts were driven. At the beginning of the year, at the Ritz unit, the Company's probable ore reserve was 30,000 tons of zinc and lead concentrates. At the end of the year, the probable ore reserve was 35,000 tons of zinc and lead concentrates. Development work and mining done during the year disproved some of the ore reserves reported in previous reports. During the year, 2,750.285 tons of zinc and lead concentrates were produced.

During 1938, at the Ritz unit, the operating expenditure for labor and liability insurance (including salaries) was \$43,614.92; for all items other than labor, \$45,548.15; or a total of \$89,163.07. The total operating loss from January 1, 1938 to June 1, 1938, at the Ritz unit, was \$18,462.80, based on actual sales of ore purchased and loaded during the year.

From June 1, 1938 to December 31, 1938, inclusive, \$6,778.09 was spent as shut down expenses at the Ritz unit. The cost of rehabilitating the plant and unwatering the mine in 1937 was \$34,564.79. \$9,000.00 of this amount was written off as a charge against 1937 operations, and \$5,000.00 was written off as a charge against 1938 operations.

Total shut-down expense from		
(June 1, 1938 to December 31, 1938) -	\$6,778.09)
(1938 Labor and Liability Insurance from)
(June 1, 1938 to December 31, 1938 -	<u>\$4,546.31</u>)
(Difference: Supplies & Miscellaneous)
(Insurance	\$2,231.78)

RITZ UNIT

1938

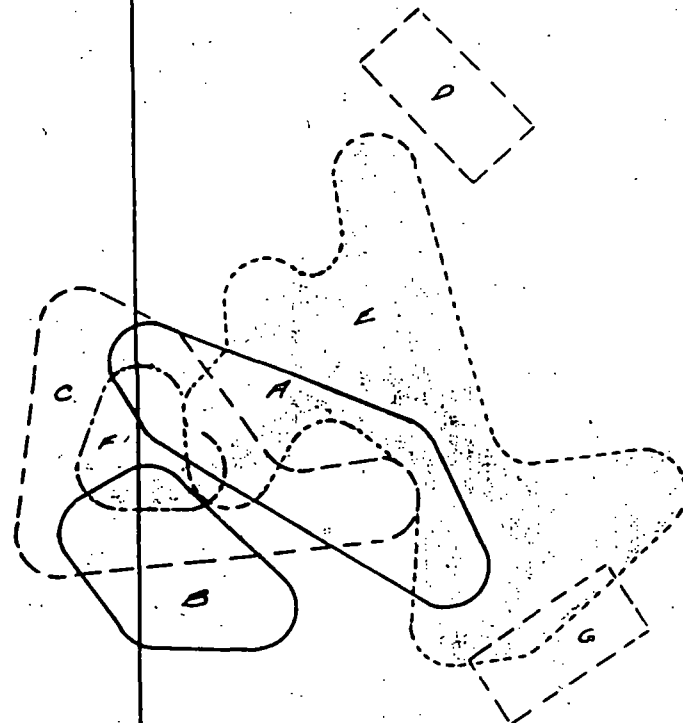
RECOMMENDATIONS

It is recommended that drifts be driven at once into the ore body developed along the South property line of the Eastern half of the lease, so this ore body can be mined without delay whenever the base price of zinc and lead concentrates will justify operating the property.

Wages at this time being lower than they will be at the time when it is thought adviseable to re-open the property.

SNAPP UNIT

GUNNING
SNAPP



GUNNING

UPPER
LEVEL

MIDDLE
LEVEL

LOWER
LEVEL

MINED
IN
1930

AREA	LEVEL	DEPTH	ROCK TONS	GRADE %	TONS PRODUCED
A	860	102	1,452	12.71	148
B	850	112	2,481	6.13	121
C	815	147	11,460	6.40	586
E	750	212	1,874	5.46	82
TOTAL			17,267	6.70	937

SNAPP

UPPER
LEVEL

MIDDLE
LEVEL

LOWER
LEVEL

MINED
IN
1930

AREA	LEVEL	DEPTH	ROCK TONS	GRADE %	TONS PRODUCED
A	860	102	36,059	12.71	3,669
B	850	112	3,371	6.13	263
C	815	147	14,590	6.40	645
D	820	142	8,148	7.84	510
E	785	177	57,244	6.27	2,811
F	750	212	2,646	5.46	117
G	820	142	6,244	3.30	167
H	850	126	3,422	4.65	128
I	740	236	30,740	6.84	1,674
J	660	316	19,252	9.39	1,446
TOTAL			193,945	7.71	11,485

SNAPP
GUNNING

PROVED ORE RESERVE
GUNNING-SNAPP # 969 & #571

PROVED ORE RESERVE
BUCKINGHAM LENSE #965

[illegible]

SNAPP UNIT - PROPOSED

1 9 3 8

There was no work of any kind done in this area during the year 1938 to increase the estimated 30,900 tons of probable zinc and lead concentrates developed in this area since 1931.

DARDENNE UNIT

DARDENNE UNIT - PROPOSED

1 9 3 8

This tract is sub-leased to the Eagle-Picher Mining & Smelting Company, who, in January, started prospect drilling and development work on this lease, which was continued until March, when active operations were started and have been carried on continuously since that time. During this operating period, they have mined and milled 44,434 tons of ore from which were produced, sold and shipped 3,942.5 tons of zinc concentrates and 16.69 tons of lead concentrates which indicates a mill recovery of 8.87% zinc and .04% lead, or a total of 8.91%.

From the above operation and sales, the Kansas Explorations, Inc., received as royalty \$7,739.60 and paid out as taxes \$98.11.

The Eagle-Picher Mining & Smelting Company have done no surface drilling since they began operations in March, 1938, but have done some development drifting in the Northwestern part of the lease. If they will do a reasonable amount of development work, they should be able to continue profitable mining operations at least during the major part of 1939.

EMPLOYER'S LIABILITY

EMPLOYER'S LIABILITY

1 9 3 8

During 1938, the Kansas Explorations, Inc., carried their own Liability Insurance. A total of 5 lost time accidents occurred during the year, making a total of 412 shifts lost, averaging 82.4 shifts lost per accident, and 38.8 shifts lost per 1,000 man shifts worked. There was \$4,127.43 credited to the Reserve account during the year. The cost of all 1938 accidents was \$1,377.15, plus \$250.00 estimated liability on 1938 cases unsettled as at December 31, 1938, which indicated a profit of \$2,500.28 under Self-Insurance coverage for the year. The estimated liability on one unsettled accident case which occurred in 1929 and one unsettled accident case which occurred in 1937 is \$3,460.00.

ACCIDENT DATA

	JARRETT			RITZ			OTHER*			TOTAL		
	1925 to 1931	1937	1938	1925 to 1931	1937	1938	1925 to 1931	1937	1938	1925 to 1931	1937	1938
Total Lost Time Accidents	189	5	1	115	22	4	476	0	0	780	27	5
Fatalities	0	0	0	2	0	0	7	0	0	9	0	0
Shifts Lost Per M. Shifts Worked	26.5	48.3	96.5	26.9	19.9	33.9	0	0	0	41.0	21.1	38.8
Tons Rock Per Shift Lost	228.2	0	0	427.7	261.3	130.0	0	0	0	153.2	207.4	103.5
Total Cost (Approx.)	23001.63	383.73	274.55	21994.30	3167.31	1352.60	82734.83	0	0	127730.76	3551.04	1627.15
Cost Per Rock Ton Mined	.043	0	0	.030	.030	.031	0	0	0	.052	.034	.033
Total Reserve	36873.36	1829.95	343.56	20698.75	9226.78	3415.12	98909.76	604.52	368.75	156481.87	11661.25	4127.43
Balance	13871.73	1446.22	89.01	1295.55	6059.47	2062.52	16174.93	604.52	368.75	28751.11	8110.21	2500.28

*Includes Robinson, Isherwood and Miscellaneous.

LEGAL

LAW SUITS**1 9 3 8**

**There are no pending law suits against the
Kansas Explorations, Inc.**

GENERAL

GENERAL EXPENDITURES

1 9 3 8

	<u>Amount</u>	<u>% Total</u>
Lease Rentals	967.00	.81
Snapp Property Idle Expense	4.50	0
Taxes - Snapp	10.61	.01
Total Lease Expense	973.11	.82
 Mine Development	 0	 0
Mine Plant	67.50	.05
Cash Accounts (Petty Cash)	10.00	.01
Advanced Royalty - Jarrett	1000.00	.84
Fire, Tornado & Other Ins. Prepaid	59.75	.05
Jarrett Starting Up Expense	646.70	.55
Robinson Expense	1540.34	1.30
Shut Down Expense	10224.77	8.63
Mining & Milling Expense	86357.21	72.86
General Expense	1636.42	1.38
Royalties	10100.04	8.52
Taxes - Jarrett	384.63	.32
Taxes - Robinson	38.33	.03
Taxes - Ritz	3020.52	2.55
Taxes - Joplin Office	16.60	.01
Taxes - Dardenne	98.11	.08
Current Prospecting Expense - Ritz	2507.63	.212
 TOTALS	 \$118526.66	 100.00

Accounts Receivable on our books at the close of the year showed a balance of \$0.00.

At the close of the year, Current Liabilities were as follows:

Treasury Drafts - Payroll	\$ 410.94
Treasury Drafts - Salary	450.00
Treasury Drafts - Special	52.42
Vouchers Payable	386.33
Unemployment Insurance Taxes Accrued	205.68
Old Age Benefit Taxes Payable	44.49
TOTAL	\$ 1,549.86

Income for the year, other than that from concentrate sales, consisted of the following:

Discount Earned	\$ 255.55
Robinson Operations	14,776.99
Sale of Scrap at Jarrett	7.00
Payments from American Zinc, Lead & Smelting Co. as per Robinson Contract	1,800.00
Royalty from Dardenne	7,739.60
TOTAL	\$24,579.14